National Policy on Oil Reserves

1455. PROF. NAUNIHAL SINGH: Will the PRIME MINISTER be pleased to state:

(a) whether Government are considering a national policy on oil reserves;

(b) if so, the details thereof;

(c) whether it is a fact that Government are scouting for new markets;

(d) if so, the details thereof;

(e) what are the present and future oil needs of the country, by the year 2020; and

(f) what are the details of steps being taken by Government to meet the same?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI T.R. BAALU): (a) and (b) At present there is no such proposal.

(c) and (d) In its endeavour to increase reserves, domestic exploration and higher recovery of oil from existing fields is being carried out. Moreover, ONGC-Videsh Limited is engaged in search of exploration and exploitation opportunities in foreign acreages. It has required participating interest in Vietnam, Tunisia, Egypt and Yemen.

(e) The estimated requirement of crude oil by refineries during the current year is 60.55 MMT and it is expected to go upto 131 MMT by the end of 9th Plan. The estimates for the year 2020 have not been worked out.

(f) Various steps being taken by the Government to meet the oil needs of the country include—

(i) Increasing indigenous production of crude oil by developing new schemes and additional development of existing fields.

(ii) Encouraging the participation of privatejoint venture in the oil sector,

(iii) Enhancing exploration of hydrocarbons and increasing reserves through seismic surveys, deep water exploration, acquisition of acreages* reserves abroad and explroation in frontier areas,

Low private investment inpower sector

1456. SHRI RAM NATH KOVIND:
DR. RANBIR SINGH:
SHRI RAHASBIHARI BARIK:

Will the PRIME MINISTER be pleased to state:

(a) whether Government have expressed serious concern over low private investment in power sector, as actual investment in power sector is Rs, 750 crore;

(b) if so, the details together with the reasons for the low private sector investment;

(c) whether Government propose to take some steps to enhance private investment in power sector in future; and

(d) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF POWER AND MINISTER OF STATE IN THE MINISTRY OF NON-CONVENTIONAL ENERGY SOURCES (DR. S. VENUGOPALACHARI): (a) No, Sir.

(b) With the objective of brining in additionality of resources, for the capacity addition programme in she electricity sector, Government of India has initiated a policy in 1991 to encourage greater participation by the private sector in electricity generation, supply and distribution sector. The response of the private sector for setting up of generation projects has been encouraging. However, the pace of investment has been somewhat slow mainly due to factors such as doubts among the investors and their lenders about the creditworthiness and financial viability of the State Electricity Boards leading to the demand for financial comforts from the Government of India,

protracted delays in negotiation of the initial Power Purchase Agreements, which were new to the Indian power scenario and also the delays in obtaining clearances and entering into agreements with different agencies.

(c) and (d) The policy on private sector participation in the Indian Power Sector is revised from time to time to make it more effective. Some of the initiatives taken in this regard after launching of the policy in 1991 are as follows:

1. Model/reference documents for PPAs/RFPs/RFQs and other security packages have been made available to SEBs.

2. Some alternatives to GOI counter guarantee have been suggested to the states and are being successfully adopted by them.

3. Government have promoted reforms and restructuring of the SEBs in order to make them financially viable corporate entities.

4. Guidelines to encourage private investment in R&M have been circulatd.

5. The project cost limit required to be appraised by CEA in respect of generation projects set up by generating companies and awarded through competitive bidding has been raised to Rs. 1000 crores.

6. The number of clearances required to be obtained for the purpose of appraisal of the private power projects by CEA has been substantially reduced.

7. States have been advised to encourage setting up of captive/co-generation plants. It has also been clarified that captive plants would not require the techno-economic appraisal of the CEA.

Maharashtra water supply and sewerage project

1457. PROF. RAM KAPSE: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that the Maharashtra Government has requested the Central Government for clearance of the Maharashtra Water Supply and Sewerage Project;

(b) if so, the details of steps taken by Government to expedite clearance so that World Bank assistance could be obtained in this regard; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF URBAN AFFAIRS AND EMPLOYMENT AND MINISTER OF STATE IN THE MINISTYRY OF PARLIAMENTARY AFFAIRS (DR. U. VENKATESWARLU): (a) and (b) The Government of Maharashtra has requested the Central Government to obtain World Bank assistance for the Maharashtra Water Supply and Sewerage project (Stage-II) at an estimated cost of Rs. 863 crores. The proposal was initially recommended by this Ministry to the Department of Economic Affairs for posing to the World Bank. However, that Department had advised that the clearance of the Planning Commission, etc., may be obtained in the first instance. The Planning Commission and this Ministry had advised the Government of Maharashtra to (i) obtain clearance of the Central Water Commission, (ii) conduct environmental impact assessment study and obtain clearance from the Ministry of Environment and Forests and (iii) prepare a report for reservation/ restoration of forest land, rehabilitation of affected people and obtain clearance of the Forest Department. Necessary steps have been initiated by the State Government in this regard. The Ministry of Environment & Forests has informed that the State Govt, has been requested to submit the final environment impact